FILED CLERK, U.S. DISTRICT COURT JOHNSON & PHAM, LLP 1 Christopher D. Johnson, SBN: 222698 2 JUN 28 2011 E-mail: cjohnson@johnsonpham.com Christopher Q. Pham, SBN: 206697 3 CENTRAL DISTRICT OF CALIFORNIA DEPUTY E-mail: cpham@johnsonpham.com 4 Marcus F. Chaney, SBN: 245227 5 E-mail: mchaney@johnsonpham.com Jason R. Vener, SBN: 267941 6 E-mail: jvener@johnsonpham.com Ani Sakalian, SBN: 274846 7 E-Mail: asakalian@johnsonpham.com 8 6355 Topanga Canyon Boulevard, Suite 115 Woodland Hills, California 91367 9 Telephone: (818) 888-7540 10 Facsimile: (818) 888-7544 11 Attorneys for Plaintiff 12 ZUMBA FITNESS, LLC 13 14 UNITED STATES DISTRICT COURT 15 CENTRAL DISTRICT OF CALIFORNIA 16 17 LACV11-5356 PA(VBKX) ZUMBA FITNESS, LLC, a Florida 18 Case No. Limited Liability Company, 19 COMPLAINT FOR DAMAGES: Plaintiff, 20 (1) FEDERAL TRADEMARK 21 VS. INFRINGEMENT [15 U.S.C. § 22 1114/Lanham Act §32(a)] RENEE ETHERIDGE, an Individual, (2) FEDERAL COPYRIGHT 23 and Does 1-10, Inclusive, INFRINGEMENT [17 U.S.C. 24 §501(a)]; Defendants. (3) FALSE DESIGNATION OF 25 ORIGIN/UNFAIR 26 COMPETITION [15 U.S.C. 27 §1125(a)/Lanham Act §43(a)]; (4) TRADEMARK DILUTION [15 28 U.S.C. §1125(c)];

COMPLAINT FOR DAMAGES

- Plaintiff is informed and believes that RENEE ETHERIDGE is now, and was at the time of the filing of this Complaint and at all intervening times, an individual residing at 5028 Sabreline Terrace, Greenacres, Florida 33463.
- 3. The true names and capacities, whether individual, corporate, associate or otherwise, of Defendants herein named as Does 1-10, inclusive, are unknown to Plaintiff. Plaintiff therefore sues said Defendants by such fictitious names. When the true names and capacities of said Defendants have been ascertained, Plaintiff will amend this pleading accordingly.
- 4. Plaintiff further alleges that RENEE ETHERIDGE, and Does 1-10, inclusive, sued herein by fictitious names are jointly, severally and concurrently liable and responsible with the named Defendants upon the causes of action hereinafter set forth.
- 5. Plaintiff is informed and believes and thereon alleges that at all times mentioned herein RENEE ETHERIDGE, and Does 1-10, inclusive, and each of them, were the agents, servants and employees of every other Defendant and the acts of each Defendant, as alleged herein, were performed within the course and scope of that agency, service or employment.

# JURISDICTION/VENUE

- This Court has jurisdiction over the subject matter of the First and Second Causes of Action (violation of the Lanham Act) pursuant to 15 U.S.C. §1121 and/or 28 U.S.C. §§ 1331 and/or 1338(a).
- 7. This Court has personal jurisdiction over Defendants because Defendants have committed the tortious illegal activities of trademark infringement, copyright infringement and unfair competition in this district and/or Defendants have sufficient minimum contacts with this district to such that the exercise of jurisdiction over Defendants by this Court does not offend traditional notions of fair play and substantial justice. Among other things, Defendants have advertised, offered to sell and has sold products that infringe the trademarks and

copyrights of Plaintiff to consumers within this judicial district. Defendants have also offered to sell and actually sold counterfeit products (described more fully below) using an interactive internet website and knowing or having reason to know that consumers throughout the United States, including within this judicial district, would purchase said counterfeit goods from Defendants, believing that they were authentic goods manufactured and distributed by Plaintiff or its authorized manufacturers.

- 8. Additionally, supplemental jurisdiction exists over Defendants because on information and belief, Defendants conduct business in California and in this judicial district, have purposefully directed action to California and this district, or have otherwise availed themselves of the privileges and protections of the laws of the State of California, such that this Court's assertion of jurisdiction over Defendants does not offend traditional notions of fair play and due process.
- 9. Venue is proper, *inter alia*, pursuant to 28 U.S.C. §1391(b) because on information and belief, a substantial part of the events or omissions giving rise to the claim occurred in this judicial district, and has caused damages to Plaintiff in this district. The counterfeit Zumba® products were purchased from California and Defendants purposefully shipped these counterfeit products into California. Plaintiff operates a substantial part of its business in California, including the business described in paragraph 1. Defendants' actions within this district directly interfere with and damage Plaintiff's commercial efforts and endeavors and harms Plaintiffs' goodwill within this Venue.

# **GENERAL ALLEGATIONS**

# Plaintiff and its Well-Known Fitness Products and Programs

10. Plaintiff is a health, wellness and fitness company involved in, among other things, the development, production, sale, marketing, and distribution of fitness programs, fitness DVDs, fitness products, and fitness apparel. Zumba® Fitness is the only Latin-inspired dance-fitness program that blends international

- 2 Plaintiff's Zumba® classes, including the Zumba® "fitness party," Zumba Gold®, Zumba® Toning, Aqua Zumba®, and Zumbatomic® fitness classes, are offered throughout the world, across the United States, and in this judicial district. Additionally, Plaintiff has embodied its program in a popular Zumba® Fitness video game available on the Kinect, Nintendo Wii and Sony Playstation Move motion interactive gaming systems. And, in 2005, Plaintiff created and the Zumba Academy<sup>TM</sup> to license Zumba® Instructors and to teach Zumba® classes. Plaintiff also has a network of instructors, known as the Zumba® Instructor Network, in which thousands of Californians participate hundreds of whom are in the Los Angeles county area.
- 12. Plaintiff has spent substantial time, money and effort in developing consumer recognition and awareness of its marks, copyrights and products. Plaintiff has spent an enormous amount of money on print and internet advertising in order to inform consumers of the benefits Plaintiff's products and services. Through the extensive use of the Plaintiff's marks, Plaintiff has built up and developed significant goodwill in its entire fitness product line. A wide array of newspapers, magazines and television networks has included advertising of Plaintiff's products, which are immediately identified by Plaintiff's marks and

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Zumba Fitness® products, apparel and programs. Theses periodicals and new media outlets have included, The Washington Post, CNN, The New York Times, Shape Magazine, The Wall Street Journal, Redbook, Time Magazine, Readers Digest, The London Times, Reuters, SELF Magazine, Cosmopolitan Magazine,

Variety Magazine as well as many others.

13. Plaintiff is also heavily involved in and uses its popularity to pursue charitable a socially beneficial goals. For example, small support groups at Zumba classes across the country started organizing Zumbathon<sup>TM</sup> charity events to raise money for breast cancer and other worthy causes. Over 1,200 of these charity events have already occurred, about one hundred of which have occurred in California. The numbers grew so high that Plaintiff itself instituted a formal campaign of Party in Pink<sup>TM</sup> Zumbathon<sup>TM</sup> charity events, with more than 725 events (so far), seeking to raise awareness of breast cancer and funding for the pursuit of a cure. Plaintiff also started a campaign of Party Hearty<sup>TM</sup> Zumbathon<sup>TM</sup> charity events with the American Heart Association, seeking to raise awarness of heart disease, with hundreds of events in the works and over 400 already having taken place.

14. As a result of Plaintiff's efforts, the quality of Plaintiff's products, the high degeee of promotion and the quality and popularity of the Zumba® products and classes, the Zumba® marks and the Zumba® fitness DVDs, products, and services have been prominently placed in the minds of the public. Consumers, purchasers and the members of the public have become familiar with the Plaintiff's intellectual property, fitness DVDs, fitness programs and other products and services, and have come to recognize the Zumba® marks, products and services and associate them exclusively with Plaintiff - Plaintiff has acquired a valuable reputation and goodwill among the public as a result of such association. Indeed, the Zumba® marks are famous in the United States.

- 15. In addition to the above, Plaintiff also owns or otherwise controls copyrights in and related to their Zumba® fitness products, programs and services. Plaintiff's rights protect the entirety of the Zumba DVDs and the entirety of the creative elements embodied in Zumba® fitness products, programs and services.
- 16. While Plaintiff has gained significant common law trademark and other rights in its Zumba® products and services through its use, advertising and promotion, Plaintiff has also protected its valuable rights by filing for and obtaining federal trademark and copyright registrations.
- 17. Plaintiff owns the following United States Trademark Registrations for Zumba® and their "Zumba" related marks: U.S. Reg. Nos. 3244094 (Registered May 22, 2007); 3884150 (Registered November 30, 2010); 3717909 (Registered December 1, 2009); 3851238 (Registered September 21, 2010); 3799511 (Registered June 8, 2010); 3799050 (Registered June 8, 2010); 3618757 (Registered May 12, 2009); 3501639 (Registered September 16, 2008); 3452926 (Registered June 24, 2008); 3452872 (Registered June 24, 2008); 3435705 (Registered May 27, 2008); and 3296721 (Registered September 25, 2007). These are attached hereto as Exhibits "A"-"L."
- 18. Plaintiff also has several marks related to its Zumba® line of products and services, pending registration, having the following United States Trademark Serial Numbers: 85238076; 85178051; 85207043; 85114273; 83131063; 85131208; 7770898; and 77497774.
- 19. Plaintiff also owns several United States Copyright Registrations relating to its Zumba ® fitness DVDs and fitness products, including the Copyright Registrations with the following registration numbers: SR0000646122 (Registered June 10, 2010); SR0000646123 (Registered June 10, 2010); SR0000646121 (Registered June 10, 2010); VA0001654875 (Registered March 3, 2009); TX0007029953 (Registered September 23, 2009); PA0001634065 (Registered May 15, 2009); SR0000646124 (Registered June 10, 2010); VA0001724930

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(Registered July 14, 2009); and SR0000665581 (Registered November 8, 2010. Certificates of Registration for each these Copyrights are attached hereto as Exhibits "M"-"U."

- 20. Plaintiff also has copyrights in numerous other works related to its DVD products and other services and products, many of which are pending in applications for copyright with the U.S. Copyright Office. The relevant application numbers are 1-571711041; 1-571665911; 1-549820239; 1-543235826; 1-542664272; 1-542663792; 1-542663692; 1-540928432; 1-540593549; 1-540534516; 1-540533909; 1-540533662; 1-540061825; 1-539956577; 1-539534922; 1-539534655; 1-539484198; 1-539484171; 1-539484012; 1-539199342; 1-538175327; 1-538175656; 1-538150545; 1-537165969; 1-524224861; and 1-453233831.
- 21. Plaintiff has never authorized or consented to Defendants' use of Plaintiff's Zumba® or other Trademarks, its copyrights or any confusingly similar marks, colorable imitations, or copied or derivative works by Defendants; nor has Plaintiff authorized Defendants to manufacture, copy, sell, import, market, or distribute any Zumba® product.

# Defendants' Wrongful and Infringing Conduct

- Particularly in light of the success of Plaintiff and Plaintiff's products as well as the reputation they have gained, Plaintiff and its products have become targets for unscrupulous individuals and entities who wish to take a free ride on both the goodwill, reputation and fame Plaintiff has spent considerable effort and resources to build up in its products and marks, and the works embodied in Plaintiff's fitness products.
- 23. A large number of these individuals and entities deal in pirated and counterfeit Zumba®-branded DVDs and other products and services, including the famous Zumba® Fitness 4-disc original DVD product, Zumba® Fitness Total Body Transformation DVD Set, Zumba® Fitness Toning Sticks, and Zumba®

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apparel and Zumba® Instructor Network materials. Their actions vary and include manufacturing, copying, exporting, importing, advertising, promoting, selling, and distributing counterfeit and otherwise unauthorized products.

- Defendants own and operate a webpage on eBay.com under the name Through this webpage, Defendants regularly and "memorablewedding." systematically advertised, marketed, distributed and sold products bearing unauthorized Zumba's® registered trademarks and copyrighted materials. As of June 22, 2011, Defendants' webpage showed at least 21 prior sales of Zumba® products. Indeed, Defendants' webpage shows over 21 feedbacks from various purchasers.
- Through such business activities, Defendants purposely derived 25. benefit from their interstate commerce activities by expressly targeting foreseeable purchasers in the State of California. But for Defendants' advertising, soliciting and selling of counterfeit Zumba® products, Plaintiff would not have been able to make a purchase of the subject product.
- On May 6, 2011, in its ongoing investigation of counterfeit sales of Zumba® products, from the State of California, Plaintiff purchased a counterfeit Zumba® Fitness 4 DVD box set from Defendants, for a cost of \$43.49 charged to the PayPal electronic payment account of Plaintiff's investigator. A true and correct copy of the website purchase receipt is attached hereto as Exhibit "V."
- Defendants intentionally and knowingly accepted Plaintiff's money 27. from a financial institution located in the State of California.
- 28. Defendants also intentionally and knowingly delivered the counterfeit product into the State of California.
- The product purchased from Defendants was inspected to determine 29. authenticity. The inspection of the purchased item confirmed that the item Defendants sold to the investigator was in fact a counterfeit and an unauthorized Zumba® Fitness 4 DVD box set.

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- 30. By these sales and, on information and belief, Defendants' other dealings in counterfeit product(s) (including importing, advertising, displaying, distributing, selling and/or offering to sell counterfeit and unauthorized product) -Defendants violated and continue to violate Plaintiff's exclusive rights in its copyrighted and trademarked materials, goods and services, and use images and marks that are confusingly similar to, identical to, and/or constitute counterfeit reproductions of Plaintiff's trademarks to confuse consumers and aid in the promotion and sales of its unauthorized product. Defendants' conduct and use began long after Plaintiff's adoption and use of its Zumba® trademarks, after Plaintiff obtained the copyright and trademark registrations alleged above, and after Plaintiffs marks became famous. Indeed, Defendants had knowledge of Plaintiff's ownership of the marks, and of the fame in such marks, prior to the actions alleged herein, and adopted them in bad faith and with an intent to cause confusion, tarnish, counterfeit and dilute Plaintiff's marks and copyrighted Neither Plaintiff nor any authorized agents have consented to products. Defendants' use of Plaintiff's Zumba® trademarks or copyrights in the manner complained of here.
- 31. Defendants' actions were committed in bad faith and with the intent to dilute Plaintiff's marks, and to cause confusion and mistake, and to deceive the consuming public and the public at large as to the source, sponsorship and/or affiliation of Defendants, and/or Defendants' counterfeit and unauthorized goods. By its wrongful conduct, Defendants have traded upon and diminished Plaintiff's goodwill.
- 32. In committing these acts, Defendants have, among other things, willfully and in bad faith committed the following acts, all of which have and will continue to cause irreparable harm to Plaintiff: (i) infringed, tarnished, counterfeited and diluted Plaintiff's rights in the Zumba® marks; (ii) infringed Plaintiff's copyrights; (iii) applied counterfeit marks; (iv) misled the public into

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believing there is an association or connection between Defendants and Plaintiff and/or the products advertised and sold by Defendants and Plaintiff; (v) used false designations of origin on or in connection with its goods and services; (vi) committed unfair competition; (vii) engaged in counterfeiting; and (viii) unfairly profited from such activity. Unless enjoined, Defendants will continue to cause irreparable harm to Plaintiffs.

#### FIRST CAUSE OF ACTION

(Infringement of Registered Trademarks Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

# [15 U.S.C. §1114/Lanham Act §32(a)]

- 33. Plaintiff repeats and re-alleges every allegation set forth in Paragraphs 1 - 32.
- 34. Plaintiff has continuously used its ZUMBA® trademark in interstate commerce since at least as early as July 31, 2001 and, subsequently, has used continuously in commerce its U.S. Trademark Registration Nos. 3452926. 3717909, 3244094, 3435705, and 3452872 (collectively, the "asserted marks").
- 35. Plaintiff, as the owner of all right, title and interest in and to these trademarks, has standing to maintain an action for trademark infringement under the U.S. Trademark Statute 15 U.S.C. §1114.
- 36. Defendants are and at the time of their actions complained of herein were actually aware that Plaintiff is the registered trademark holder of these Zumba® marks. (See Exhibits "A" - "L").
- 37. Defendants did not and failed to obtain the consent or authorization of Plaintiff as the registered owner of the marks to deal in and commercially distribute, market and sell Zumba® fitness DVDs and products bearing Plaintiff's asserted marks into the stream of commerce.
- 38. Defendants intentionally and knowingly used in commerce the reproductions, counterfeits, copies, and/ or colorable imitations of Plaintiff's

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asserted marks in connection with the sale, offering for sale, distribution, or advertising of Defendant's goods by offering, advertising, promoting, retailing, selling, and distributing counterfeit Zumba® DVDs and products bearing the Zumba® marks.

- Defendants reproduced, counterfeited, copied, and colorably imitated Plaintiff's registered Zumba® marks and applied such reproductions, counterfeits, copies, or colorable imitations to labels, signs, prints, packages, wrappers, receptacles and/or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, and/or advertising of goods. Defendants thereupon offered, advertised, promoted, retailed, sold, and distributed counterfeit Zumba® DVDs and products bearing the Zumba® marks.
- Defendants' egregious and intentional use and sale of fake, pirated and counterfeit items bearing Plaintiff's trademarks is likely to cause confusion, or to cause mistake, or to deceive, mislead, betray, and defraud consumers who believe that Defendants' items are authentic products manufactured by Plaintiff.
- Defendants' acts have been committed with knowledge of Plaintiff's exclusive rights and goodwill in the marks, as well as with bad faith and the intent to cause confusion or to cause mistake and to deceive.
- Plaintiff has suffered and will continue to suffer substantial and 42. irreparable injury, loss and damage to its rights in and to the Zumba® marks and the goodwill associated therewith, for which it has no adequate remedy at law; thus Plaintiff requests injunctive relief.
- Defendants' continued and knowing use of Plaintiff's asserted marks without Plaintiff's consent or authorization constitutes intentional infringement of Plaintiff's federally registered trademarks in violation of Section 32 of the Lanham Act, 15 U.S.C. §1114. Based on such conduct, Plaintiff is entitled to injunctive relief as well as monetary damages, and other remedies provided by section 1116.

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1117, and 1118, including Defendants' profits, treble damages, reasonable attorneys' fees, costs, statutory damages and/or prejudgment interest.

# SECOND CAUSE OF ACTION

(Federal Copyright Infringement Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

[17 U.S.C. §501(a)]

- Plaintiff repeats and re-alleges every allegation set forth in Paragraphs
   1-43.
- 45. Plaintiff is the exclusive owner of copyrights in and related to its Zumba® fitness DVDs and products and possesses copyright registrations with the United States Copyright Office relating to the same, including U.S. Copyright Registration Numbers SR0000646122; SR000064123; SR000064612; VA0001654875; TX007029953; PA0001634065; SR0000646124; and VA0001724930. (See Exhibits M-U).
- 46. Defendants did not seek and failed to obtain Plaintiff's consent or authorization to utilize, manufacture, reproduce, copy, display, prepare derivative works, distribute, sell, transfer, rent, perform, and/or market Plaintiff's copyright-protected materials.
- 47. Without permission, Defendants intentionally and knowingly reproduced, counterfeited, copied, displayed, and/or manufactured Plaintiff's protected works by offering, advertising, promoting, retailing, selling, distributing counterfeit Zumba® DVDs and products which are at a minimum substantially similar to Plaintiff's copyright protected works.
- 48. Defendants' acts as alleged herein, constitute infringement of Plaintiff's copyright, including Plaintiff's exclusive rights to reproduce, distribute and/or sell such protected material.
- 49. Defendants' knowing and intentional copyright infringement as alleged herein has caused and will continue to cause substantial and irreparable

harm to Plaintiff and has and will continue to cause damage to Plaintiff. Plaintiff is therefore entitled to injunctive relief, actual damages, statutory damages, Defendants' profits, increased damages, and reasonable attorney's fees and costs.

# THIRD CAUSE OF ACTION

# (False Designation of Origin & Unfair Competition Against RENEE ETHERIDGE, and Does 1-10, Inclusive) [15 U.S.C. §1125(a)/Lanham Act §43(a)]

- Plaintiff repeats and re-alleges every allegation set forth in Paragraphs
   1-49.
- 51. Plaintiff, as the owner of all common law right, title, and interest in and to the Zumba® marks, has standing to maintain an action for false designation of origin and unfair competition under the Federal Trademark Statute, Lanham Act section 43(a) (15 U.S.C. §1125). Plaintiff's asserted marks are fanciful, inherently distinctive and/or have acquired distinctiveness.
- 52. Defendants have without authorization, on or in connection with its goods and services, used in commerce marks that are confusingly similar to the asserted marks, and/or has made false designations of origin which are likely to cause confusion or cause mistake or to deceive as to the affiliation, connection or association of Defendants with Plaintiff, and/or as to the origin, sponsorship or approval of Defendants' goods or services or commercial activities.
- 53. Defendants' conduct described above violates the Lanham Act, and Defendants have unfairly competed with and injured and, unless immediately restrained, will continue to injure Plaintiff, causing damage to Plaintiff in an amount to be determined at trial, and will cause irreparable injury to Plaintiff's goodwill and reputation associated with the value of Plaintiff's mark.
- 54. On information and belief, the conduct of Defendants has been knowing, deliberate, willful, intended to cause confusion, or to cause mistake or to deceive and in blatant disregard of Plaintiff's rights.

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- 55. Defendants knew or by the exercise of reasonable care should have known that their adoption and commencement of use in commerce and continuing use of marks that are confusingly similar to and constitute a counterfeit reproduction of Plaintiff's asserted marks would cause confusion, mistake, or deception among purchasers, users and the public.
- 56. Defendants' egregious and intentional use and sale of fake, pirated and counterfeit items bearing Plaintiff's asserted marks unfairly competes with Plaintiff and is likely to cause confusion, mistake, or to deceive, mislead, betray, and defraud consumers to believe that the substandard imitations are genuine Zumba® or products.
- 57. Defendants' continuing and knowing use of Plaintiff's asserted marks constitutes false designation of origin and unfair competition in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a), causing Plaintiff to suffer substantial and irreparable injury for which it has no adequate remedy at law.
- 58. Defendants' wrongful conduct has permitted or will permit it to make substantial sales and profits on the strength of Plaintiff's marketing, advertising, sales and consumer recognition. As a direct and proximate result of Defendants' wrongful conduct, as alleged herein, Plaintiff has been and will be deprived of sales of its Zumba® products in an amount as yet unknown but to be determined at trial, and has been deprived and will be deprived of the value of its marks as commercial assets in an amount as yet unknown but to be determined at trial. Plaintiff seeks damages and an accounting of Defendants' profits, and requests that the Court grant Plaintiff three times that amount in the Court's discretion.
- 59. Based on Defendants' wrongful conduct, Plaintiff is entitled to injunctive relief as well as monetary damages, and other remedies as provided by the Lanham Act, including Defendants' profits, treble damages, reasonable attorneys' fees, costs and prejudgment interest.

# FOURTH CAUSE OF ACTION

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# (Dilution Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

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#### [15 U.S.C. §1125(c)]

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Plaintiff repeats and re-alleges every allegation set forth in Paragraphs

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61. Plaintiff's asserted marks are distinctive and famous within the

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meaning of the Lanham Act. 62. Upon information and belief, Defendants' unlawful actions began

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long after Plaintiff's mark became famous, and Defendants acted knowingly. deliberately and willfully with the intent to trade on Plaintiff's reputation and to dilute Plaintiff's asserted marks. Defendants' conduct is willful, wanton and

egregious.

- Defendants' intentional sale of fake, pirated and counterfeit items bearing Plaintiff's marks is likely to cause confusion, mistake, or to deceive, mislead, betray, and defraud consumers to believe that the substandard imitations are genuine Zumba® fitness DVDs and products. The actions of Defendants complained of herein have diluted and will continue to dilute Plaintiff's asserted and other marks, and are likely to impair the distinctiveness, strength and value of Plaintiff's marks, and injure the business reputation of Plaintiff and its marks.
- 64. Defendants' acts have caused and will continue to cause Plaintiff irreparable harm. Plaintiff has no adequate remedy at law to compensate it fully for the damages that have been caused and which will continue to be caused by Defendants' unlawful acts, unless they are enjoined by this Court.
- As the acts alleged herein constitute a willful violation of section 43(c) of the Lanham Act, 15 U.S.C. section 1125(c), Plaintiff is entitled to injunctive relief as well as monetary damages and other remedies provided by 15

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U.S.C. §§1116, 1117, 1118, and 1125(c), including Defendants' profits, actual ans statutory damages, treble damages, reasonable attorney's fees, costs and prejudgment interest.

# FIFTH CAUSE OF ACTION

# (Unlawful, Unfair, Fraudulent Business Practices Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

[California Business & Professions Code §17200 et seq.]

Plaintiff repeats and re-alleges every allegation set forth in Paragraphs
 1-65.

67. By marketing, advertising, promoting, selling and/or otherwise dealing in the counterfeit Zumba® product, Defendants have engaged in unfair competition including unlawful, unfair and fraudulent business practices in violation of the California Business and Professions Code §17200 et seq.

68. Defendants' marketing, advertising, promoting, selling and/or otherwise dealing in the counterfeit Zumba® product is in violation and derogation of Plaintiff's rights and is likely to cause confusion, mistake and deception among consumers and the public as to the source, origin, sponsorship, or quality of the goods of Defendant, thereby causing loss, damage and injury to Plaintiff and to the purchasing public. Defendants' conduct was intended to cause such loss, damage and injury.

69. Defendants knew or by the exercise of reasonable care should have known that their marketing, advertising, promoting, selling and/or otherwise dealing in and their continuing marketing, advertising, promoting, selling and/or otherwise dealing in the counterfeit product would cause confusion mistake or deception among purchasers, users and the public.

70. By marketing, advertising, promoting, selling and/or otherwise dealing in and their continuing marketing, advertising, promoting, selling and/or otherwise dealing in counterfeit versions of Plaintiffs marks and products,

Defendants intended to and did induce and intends to and will induce customers to purchase its products by trading off the extensive goodwill built up by Plaintiff's in its marks.

- 71. Upon information and belief, the conduct of Defendants has been knowing, deliberate, willful, intended to cause confusion, or to cause mistake or to deceive, and in disregard of Plaintiff's rights.
- 72. Defendants' wrongful conduct, as alleged above, has permitted and will permit them to make substantial sales and profits on the strength of Plaintiff's nationwide marketing, advertising, sales and consumer recognition. As a direct and proximate result of Defendants' wrongful conduct, as alleged herein, Plaintiff has been and will be deprived of substantial sales of its products in an amount as yet unknown but to be determined at trial, and has been and will be deprived of the value of its trademarks as commercial assets, in an amount as yet unknown but to be determined at trial. Plaintiff seeks restitution in this matter, including an order granting Defendants' profits stemming from its infringing activity, and its actual and/or compensatory damages.
- 73. Plaintiff has no adequate remedy at law for Defendants' continuing violation of its rights set forth above. Plaintiff seeks injunctive relief.
- 74. Plaintiff further requests a court order that an asset freeze or constructive trust be imposed over all monies and assets in Defendants' possession which rightfully belong to Plaintiff.

# SIXTH CAUSE OF ACTION

(Unfair Competition Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

# [California Common Law]

Plaintiff repeats and re-alleges every allegation set forth in Paragraphs
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dealing in the counterfeit Zumba® product, Defendants have engaged in unfair competition including unlawful, unfair and fraudulent business practices in violation of the common law of the State of California.

77. Defendants' marketing, advertising, promoting, selling and/or otherwise dealing in the counterfeit Zumba® product is in violation and derogation

By marketing, advertising, promoting, selling and/or otherwise

- otherwise dealing in the counterfeit Zumba® product is in violation and derogation of Plaintiff's rights and is likely to cause confusion, mistake and deception among consumers and the public as to the source, origin, sponsorship, or quality of the goods of Defendant, thereby causing loss, damage and injury to Plaintiff and to the purchasing public. Defendants' conduct was intended to cause such loss, damage and injury.
- 78. Defendants knew or by the exercise of reasonable care should have known that their marketing, advertising, promoting, selling and/or otherwise dealing in and their continuing marketing, advertising, promoting, selling and/or otherwise dealing in the counterfeit product would cause confusion mistake or deception among purchasers, users and the public.
- 79. By marketing, advertising, promoting, selling and/or otherwise dealing in and their continuing marketing, advertising, promoting, selling and/or otherwise dealing in counterfeit versions of Plaintiffs marks, copyrights and products, Defendants intended to and did induce and intends to and will induce customers to purchase its products by trading off the extensive goodwill built up by Plaintiff's in its marks.
- 80. Upon information and belief, the conduct of Defendants has been knowing, deliberate, willful, intended to cause confusion, or to cause mistake or to deceive, and in disregard of Plaintiff's rights.
- 81. Defendants' wrongful conduct, as alleged above, has permitted and will permit them to make substantial sales and profits on the strength of Plaintiff's nationwide marketing, advertising, sales and consumer recognition, all of which

Plaintiff invested substantial time and effort to create and protect. As a direct and proximate result of Defendants' wrongful conduct, as alleged herein, Plaintiff has been and will be deprived of substantial sales of its products in an amount as yet unknown but to be determined at trial, and has been and will be deprived of the value of its trademarks as commercial assets, in an amount as yet unknown but to be determined at trial. Plaintiff seeks an order granting Defendants' profits stemming from its infringing activity, and its actual and/or compensatory damages.

- 82. Plaintiff has no adequate remedy at law for Defendants' continuing violation of its rights set forth above. Plaintiff seeks preliminary and permanent injunctive relief.
- Plaintiff seeks exemplary or punitive damages for Defendants' intentional misconduct.

# SEVENTH CAUSE OF ACTION

(Unjust Enrichment Against RENEE ETHERIDGE, and Does 1-10, Inclusive)

- Plaintiff repeats and re-alleges every allegation set forth in Paragraphs
   1-83.
- 85. By virtue of the egregious and illegal acts of Defendants as described above, Defendants have been unjustly enriched in an amount to proven at trial.
- 86. Defendants' retention of monies gained through its deceptive business practices, infringement, acts of counterfeit and otherwise would serve to unjustly enrich Defendants and would be contrary to the interests of justice.

WHEREFORE, Plaintiff ZUMBA FITNESS, LLC, prays for judgment against Defendant RENEE ETHERIDGE, and Does 1-10, inclusive, and each of them, as follows:

- A. For an award of Defendants' profits and Plaintiff's damages in an amount to be proven at trial for trademark infringement under 15 U.S.C. §1114(a);
- B. For an award of Defendants' profits and Plaintiff's damages in an amount

- to be proven at trial for copyright infringement under 17 U.S.C. §501(a);
- C. For an award of Defendants' profits and Plaintiff's damages in an amount to be proven at trial for false designation of origin and unfair competition under 15 U.S.C. §1125(a);
- D. For an award of Defendants' profits and Plaintiff's damages in an amount to be proven at trial for trademark dilution under 15 U.S.C. §1125(c);
- E. In the alternative to actual damages and Defendants' profits for the infringement and counterfeiting of Plaintiff's trademark pursuant to the Lanham Act, for statutory damages pursuant to 15 U.S.C. §1117(c), which election Plaintiff will make prior to the rendering of final judgment;
- F. In the alternative to actual damages and Defendants' profits pursuant to 17 U.S.C. §504(b), for statutory damages pursuant to 17 USC §504(c), which election Plaintiff will make prior to the rendering of final judgment;
- G. For restitution in an amount to be proven at trial for unfair, fraudulent and illegal business practices under *Business and Professions Code* §17200;
- H. For damages to be proven at trial for common law unfair competition;
- I. For temporary, preliminary and permanent injunctive relief from this Court prohibiting Defendants from engaging or continuing to engage in the unlawful, unfair, or fraudulent business acts or practices described herein, including the advertising and/or dealing in any counterfeit product; the unauthorized use of any mark, copyright or other intellectual property right of Plaintiff; acts of trademark infringement or dilution; acts of copyright infringement; false designation of origin; unfair competition; and any other act in derogation of Plaintiff's rights;
- J. For an order from the Court requiring that Defendants provide complete

accountings and for equitable relief, including that Defendants disgorge and return or pay their ill-gotten gains obtained from the illegal transactions entered into and or pay restitution, including the amount of monies that should have been paid if Defendants' complied with their legal obligations, or as equity requires;

- K. For an order from the Court that an asset freeze or constructive trust be imposed over all monies and profits in Defendants' possession which
- L. For destruction of the infringing articles in Defendants' possession under 15 U.S.C. §1118 and 17 USC §503;
- M. For treble damages suffered by Plaintiff as a result of the willful and intentional infringements and acts of counterfeiting engaged in by Defendants, under 15 U.S.C. §1117(b);
- N. For damages in an amount to be proven at trial for unjust enrichment;
- O. For an award of exemplary or punitive damages in an amount to be
- P. For Plaintiff's reasonable attorney's fees;
- R. For such other and further relief as the Court may deem just and

**DEMAND FOR JURY TRIAL** Plaintiff ZUMBA FITNESS, LLC, respectfully demands a trial by jury in this action. DATED: June 24, 2011 JOHNSON & PHAM, LLP Christopher D. Johnson, Esq. Christopher Q. Pham, Esq. Marcus F. Chaney, Esq. Jason R. Vener, Esq. Ani Sakalian, Esq. Attorneys for Plaintiff ZUMBA FITNESS, LLC